

SUBCONTRACT LABOR AND MATERIAL PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS:

That _____
(Here insert the name and address, or legal title, of the Subcontractor)
as Principal, hereinafter called Principal, and _____, a
corporation of the State of _____, with its home office, _____, as Surety, hereinafter
called Surety, are held and firmly bound unto _____

(Here insert the name and address, or legal title, of the General Contractor)
as Obligee, hereinafter called Obligee, for the use and benefit of claimants as hereinbelow defined, in the amount of
_____ Dollars (\$ _____), for the payment where
(Here insert a sum at least equal to one-half of the subcontract price)
Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly
by these presents.

WHEREAS, Principal has by written agreement dated _____ entered into a
subcontract with Obligee for _____

_____ in accordance with drawings and specifications prepared by _____

(Here insert full name and title)
which subcontract is by reference made a part hereof, and is hereafter referred to as the subcontract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, That if the Principal shall promptly make
payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the
performance of the subcontract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject,
the following conditions;

- (1) A claimant is defined as one having a direct contract with the Principal for labor, material, or both, used or reasonably
required for use in the performance of the contract, labor and material being construed to include that part of water,
gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the subcontract.
- (2) The above-named Principal and Surety hereby jointly and severally agree with the Obligee that every claimant as
herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on
which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant,
may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may
be justly due claimant, and have execution thereon. The Obligee shall not be liable for the payment of any costs or ex-
penses of any such suit.
- (3) No suit or action shall be commenced hereunder by any claimant,
 - (a) After the expiration of one (1) year following the date on which Principal ceased work on said subcontract it being
understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the
construction hereof such limitation shall be deemed to be amended so as to be equal to the minimum period of
limitation permitted by such law.
 - (b) Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state
in which the project, or any part thereof, is situated, or in the United States District Court for the district in which
the project, or any part thereof, is situated, and not elsewhere.
- (4) The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith
hereunder.

Signed and sealed this _____ day of _____, _____

(SEAL)

(SEAL)

Principal

Surety

By _____